



Request for City Council Committee Action from the Department of Public Works

Date: June 4, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral to: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: **Traffic Control Devices**

Recommendation:

- A. Authorize proper city officials to enter into a contract with Q3 to provide traffic control devices in an amount not to exceed \$180,000 per the terms and conditions and unit prices bid in response to O.P. 7694.
- B. Authorize proper city officials to enter into a contract with Safety Signs to provide traffic control devices in an amount not to exceed \$360,000 per the terms and conditions and unit prices bid in response to O.P. 7694.

Previous Directives:

- November 2, 2012 – Acceptance of the low bid of Highway Technologies, Inc. for an estimated annual expenditure of \$500,000, to furnish barricades, warning lights, and other traffic control devices as needed through January 31, 2014

Department Information:

Prepared by: Heidi Hamilton, Deputy Director Public Works

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Mike Kennedy

Reviews NA

Financial Impact

- Action is within the Business Plan

Community Impact

- Neighborhood Notification
- City Goals

- Comprehensive Plan
- Zoning Code
- Other

Supporting Information

Background

Each year the city enters into a contract to secure the traffic control devices needed for Public Works to complete maintenance and construction projects in the public streets, city wide. On November 2, 2012 the city council authorized and directed proper city officers to enter into a contact with Highway Technologies, Inc. (the low bidder). On Friday, May 17 Public Works was notified that Highway Technologies is winding up its affairs, exiting the traffic control device business and is therefore unable to provide this service and fulfill the terms of its contract with the city. The city will enter into a less than \$50,000 agreement with a traffic control device vendor to satisfy immediate city safety needs.

Several projects are currently underway with Highway Technologies traffic control devices in place and many more projects that require additional traffic control devices will be getting underway in the coming weeks and months. A new traffic control device contractor(s) are needed immediately in order for projects to proceed on schedule and to avoid liquidated damages payable to contractors due to delays by the City.

Public Works is working with Purchasing and the City Attorney's Office to determine the best course of action. We recommend entering into contracts with the second and third low bidders for O.P. 7694 in amounts not to exceed \$180,000 for Q3 and \$360,000 for Safety Signs. These two contracts will provide the traffic control needed to keep projects on schedule until a new request for bids can be issued and contract awarded. In the meantime, the City Attorney's Office is working with the Highway Technologies, Inc.'s surety to enable the city to use Highway Technology traffic control devices in the interim and to exercise the city's rights under the performance and payment bonds.